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Employment Bulletin

Rhode Island
Department of
Labor & Training

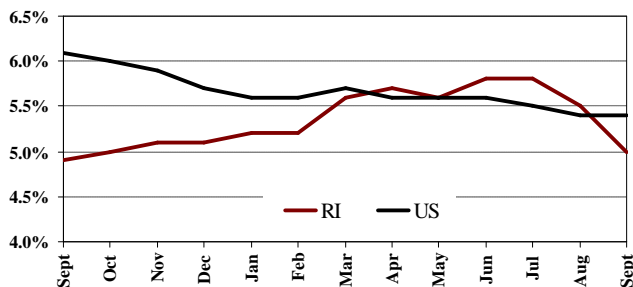
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Rhode Island's Unemployment Rate Dips to 5.0 Percent in September

Rhode Island's seasonally adjusted unemployment rate for September fell to 5.0 percent, its lowest level this year. The September unemployment rate is down 0.5 of a percentage point from August. The number of unemployed Rhode Island residents declined by 3,000 in September to 28,200. A year ago, the unemployment rate was 4.9 percent and the number of unemployed stood at 28,000. Nationally, the unemployment rate held steady at 5.4 percent in September. Rhode Island's unemployment rate was below the national average for the first time since March.

**RI & US Unemployment Rates
Seasonally Adjusted 2003 - 2004**



"We are encouraged by the drop in RI's unemployment rate over the last two months," said DLT Director Adelita S. Orefice. "September's 5.0 percent unemployment rate is our lowest rate since October 2003 and marks the first time in the last six months that RI's rate has been below the US rate."

Quarterly Census of RI Employment and Wages City & Town Analysis - First Quarter 2004

Rhode Island total employment increased by 2,379 (+0.5%) jobs during the first quarter of 2004, averaging 462,148 workers, when compared to the first quarter of 2003. Private sector (+2,842) employment accounted for nearly all of the job growth, offsetting the 466 positions lost in the State and Federal Government sectors. State employment declined by 270 positions, while Federal employment lost 196 positions. Local Government added three jobs.

The town of West Greenwich added 1,007 (+36.2%) jobs between first quarter 2003 and first quarter 2004, the most of the state's thirty-nine communities. The Manufacturing (+571) and Construction sectors (+163) account for over 72 percent of the job growth. The Professional, Scientific & Technical sector also added 130 jobs between this period.

The capital city of Providence lost 522 jobs between first quarter 2003-2004. Manufacturing (-969) and Finance & Insurance (-345) reported sizable job losses. (Continued on Page 4)

Federal Tax Credit Update

The Work Opportunity Tax Credit (WOTC) and the Welfare-to-Work Tax Credit (WWTC) have been extended for 24 months. The provision is effective for wages paid or incurred to a qualified individual who begins work for an employer on or after January 1, 2004 and before January 1, 2006. Questions on these tax credits may be directed to the Federal Tax Credit Unit at (401) 462-8802 or (401) 462-8808.

Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Sep 04	Aug 04	Sep 03	Sep 04	Aug 04	Sep 03
Civilian Labor Force	567.1	568.9	573.6	147,483	147,704	146,610
Resident Employment	538.8	537.7	545.5	139,480	139,681	137,644
Unemployment	28.2	31.2	28.0	8,003	8,022	8,966
Unemployment Rate	5.0%	5.5%	4.9%	5.4%	5.4%	6.1%

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Rhode Island Job Highlights

Rhode Island businesses reported a gain of 400 jobs last month, bringing the September job count to 489,600 (seasonally adjusted). Over-the-month employment gains were reflected in Leisure & Hospitality (+200); Construction (+100); and Government (+100). Trade, Transportation & Utilities (-400) was the only sector to experience a monthly loss as the traditional job gains which normally occur in Retail Trade did not materialize. Manufacturing and Professional & Business Services employment remained even over the month.

The unadjusted estimates, which traditionally increase from August to September, were up by 4,400 (+0.9%) over the month. The September job count stood at 493,500 (unadjusted), the highest September job count on record. Seasonal gains were reported in Government (+3,700); Educational Services (+2,600); and Transportation, Warehousing & Utilities (+600). Health Care & Social Assistance (+500); Manufacturing (+300); and Professional & Business Services (+200) also reported increases. Seasonal decreases occurred in Accommodation & Food Services (-1,800); Arts, Entertainment, & Recreation (-700); Other Services (-500); and Construction (-200). Retail Trade; Information; and Financial Activities each shed 100 employees over the month.

Establishment Employment in Rhode Island Seasonally Adjusted

	Employment (in thousands)		Net Change
	Sept 04	Aug 04	
Total Nonfarm	489.6	489.2	0.4
Construction	22.5	22.4	0.1
Manufacturing	57.9	57.9	0.0
Trade, Transportation & Utilities	81.2	81.6	-0.4
Professional & Business Services	48.7	48.7	0.0
Leisure and Hospitality	51.4	51.2	0.2
Government	66.6	66.5	0.1

The over-the-month rise in September was due to the seasonal return of both public and private school employees, as well as school bus drivers, following the summer break. The end of the summer season was also responsible for the employment decline in Accommodation & Food Services; Arts, Entertainment, & Recreation; Other Services; and Construction, as these industries scale back for the colder months.

Over the year, employment was up 3,900 (+0.8%) from the 489,600 jobs (revised) reported in September 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+2,100); Accommodation & Food Services (+1,100); Construction (+1,000); and Educational Services (+1,000). The largest private sector employment losses occurred in Professional & Business Services (-800); Financial Activities (-600); and Manufacturing (-400). Government employment increased by 100 over the year, as job gains on the Local level (+500) offset losses in the Federal (-300) and State (-100) segments.

Manufacturing Employment in Rhode Island Not Seasonally Adjusted

	Employment					Production Worker Averages					
	(in thousands)			Net Change From:		Weekly Hours			Hourly Earnings		
	Sept 04	Aug 04	Sept 03	Aug 04	Sept 03	Sept 04	Aug 04	Sept 03	Sept 04	Aug 04	Sept 03
Manufacturing	58.4	58.1	58.8	300	-400	39.6	38.9	39.7	12.99	13.04	12.88
Durable Goods	37.5	37.3	38.2	200	-700	39.9	38.9	39.0	12.99	13.03	12.90
Fabricated Metal Product Mfg.	7.6	7.6	7.8	0	-200	38.9	38.1	39.5	11.73	11.72	11.49
Computer & Electronic Product Mfg.	5.0	5.0	5.1	0	-100	37.9	37.0	38.1	13.88	13.88	13.67
Transportation Equipment Mfg.	4.0	4.0	3.7	0	300	40.0	40.0	41.0	15.41	15.41	15.37
Miscellaneous Manufacturing	10.9	10.8	11.3	100	-400	38.5	37.5	38.3	10.83	10.87	10.58
Jewelry and Silverware	8.0	7.9	8.1	100	-100	39.2	38.2	39.3	10.16	10.20	10.01
Non-Durable Goods	20.9	20.8	20.6	100	300	39.2	39.0	41.0	13.00	13.05	12.85
Chemical Manufacturing	4.1	4.1	4.2	0	-100	40.8	39.8	40.7	15.30	15.35	15.55
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200	41.6	40.8	40.3	14.62	14.67	14.62

Establishment Employment in Rhode Island*
Not Seasonally Adjusted

	Employment in Thousands			Net Change From	
	Sept 2004	Aug 2004	Sept 2003	Aug 2004	Sept 2003
Total Nonfarm	493.5	489.1	489.6	4,400	3,900
Goods Producing	82.4	82.3	81.8	100	600
Natural Resources & Mining	0.2	0.2	0.2	0	0
Construction	23.8	24.0	22.8	-200	1,000
Specialty Trade Contractors	15.4	15.4	14.9	0	500
Manufacturing	58.4	58.1	58.8	300	-400
Durable Goods	37.5	37.3	38.2	200	-700
Fabricated Metal Product Mfg.	7.6	7.6	7.8	0	-200
Computer & Electronic Product Mfg.	5.0	5.0	5.1	0	-100
Transportation Equipment Mfg.	4.0	4.0	3.7	0	300
Miscellaneous Manufacturing	10.9	10.8	11.3	100	-400
Jewelry & Silverware	8.0	7.9	8.1	100	-100
Non-Durable Goods	20.9	20.8	20.6	100	300
Chemical Manufacturing	4.1	4.1	4.2	0	-100
Plastics & Rubber Products Mfg.	3.2	3.2	3.0	0	200
Service Providing	411.1	406.8	407.8	4,300	3,300
Wholesale Trade	16.4	16.4	16.4	0	0
Retail Trade	53.5	53.6	53.4	-100	100
Grocery Stores	6.8	6.9	6.7	-100	100
Health & Personal Care Stores	5.5	5.5	5.6	0	-100
General Merchandise Stores	9.9	10.0	9.9	-100	0
Department Stores	3.8	3.9	4.3	-100	-500
Transportation, Warehousing & Utilities	11.8	11.2	11.6	600	200
Transportation & Warehousing	10.8	10.2	10.4	600	400
Information	10.6	10.7	10.9	-100	-300
Publishing	3.4	3.4	3.2	0	200
Financial Activities (including Real Estate)	33.2	33.3	33.8	-100	-600
Finance & Insurance	26.7	26.7	27.4	0	-700
Credit Intermediation & Related Activities	13.2	13.1	12.8	100	400
Insurance Carriers & Related Activities	10.2	10.2	10.8	0	-600
Professional & Business Services	50.2	50.0	51.0	200	-800
Professional & Technical Services	19.4	19.3	19.2	100	200
Administrative & Waste Services	23.0	22.8	24.1	200	-1,100
Educational Services	20.0	17.4	19.0	2,600	1,000
Colleges & Universities	12.8	10.6	11.7	2,200	1,100
Health Care & Social Assistance	72.6	72.1	70.5	500	2,100
Ambulatory Health Care Services	21.2	21.1	20.4	100	800
Hospitals	22.9	22.9	22.3	0	600
Nursing & Residential Care Facilities	18.2	18.1	17.6	100	600
Social Assistance	10.3	10.0	10.2	300	100
Arts, Entertainment & Recreation	8.1	8.8	8.3	-700	-200
Accommodation & Food Services	45.4	47.2	44.3	-1,800	1,100
Accommodation	5.0	5.4	4.7	-400	300
Food Services & Drinking Places	40.4	41.8	39.6	-1,400	800
Other Services	23.5	24.0	22.9	-500	600
Government	65.8	62.1	65.7	3,700	100
Federal Government	9.8	9.8	10.1	0	-300
State Government	16.8	16.9	16.9	-100	-100
Local Government	39.2	35.4	38.7	3,800	500

*Current month figures are preliminary; prior month and year are revised. Totals may not add due to rounding.

Labor Force statistics are compiled by Labor Market Information, in cooperation with the Bureau of Labor Statistics, U.S. Dept. of Labor.

Visit the Labor Market Information (LMI) web site at www.dlt.ri.gov/lmi. To contact LMI, call (401) 462-8740 or e-mail lmi@dlt.state.ri.us.

Consumer Price Index for All Urban Consumers

	% Change		
	Sept 04	Aug 04	Sept 03
	Prev. Year		
All Items	189.9	189.5	185.2
			2.5%

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

Quarterly Census of RI Employment and Wages City & Town Analysis - First Quarter 2004

(Continued from Page 1)

Warwick experienced the second largest employment increase, adding 898 (+2.0%) employees from first quarter 2003. Finance & Insurance (+643) and Administrative Support & Waste Management Services (+505) were the largest gainers, offsetting the loss of 532 Manufacturing workers.

The Health Care & Social Assistance (70,545) sector employed the most workers during the first quarter 2004.

Providence employed 23,569 workers within this sector, followed by Warwick (7,542), Pawtucket (4,990),

Cranston (3,358) and Woonsocket (3,250). Hospitals, which are located in the top three cities, account for a

large percentage of employment within this sector. Hospital employees account for 39.3 percent of the workers in the Health Care & Social Assistance sector in Providence, 32.8 percent in Warwick and 35.4 percent in Pawtucket.

A total of over \$4.3 billion in wages was paid during the first quarter 2004, an increase of over \$100 million (+2.6) from last year's first quarter total of \$4.2 billion. Private sector wages increased by \$96 million (+2.8%), while Government wages grew by \$13 million (+1.7%). The total average weekly wage in the first quarter 2004 was \$728, a \$15 increase from the \$713 earned during first quarter in 2003. Private sector wages were up \$14 (\$696) from the \$682 earned a year ago.

The employment surge in West Greenwich helped fuel a wage increase of over \$37.9 million (+89.9%). The boom in Manufacturing employment accounted for 73.1 percent (+\$27.7 million) of the wage increase. The Construction and Professional, Scientific & Technical sectors, also recipients of an employment gain, each experienced a \$4.2 million wage increase. West Greenwich led all Rhode Island cities and towns in both employment gains and in wage increase, numerically and on a percentage basis.

Warwick wages totaled over \$369 million; a \$14.7 million (+ 4.2%) increase from first quarter 2003. Finance & Insurance wages grew by \$8.6 million (+24.4%) while Construction wages increased by \$3.9 million (+22.9%).

City & Town Unadjusted Unemployment Rates for September

	2004	2003		2004	2003
Barrington	2.9	2.7	Newport	2.9	3.1
Bristol	3.7	3.9	North Kingstown	3.3	3.6
Burrillville	5.0	5.4	North Providence	4.7	4.3
Central Falls	6.5	7.2	North Smithfield	4.1	3.8
Charlestown	3.7	3.7	Pawtucket	5.6	6.0
Coventry	4.3	4.2	Portsmouth	3.2	2.7
Cranston	4.9	4.8	Providence	5.7	5.7
Cumberland	4.1	4.8	Richmond	2.3	2.2
East Greenwich	3.7	4.1	Scituate	4.7	4.4
East Providence	5.1	4.9	Smithfield	3.4	3.5
Exeter	4.5	3.2	South Kingstown	3.1	3.3
Foster	5.8	4.9	Tiverton	4.3	4.7
Glocester	3.4	3.6	Warren	4.4	3.8
Hopkinton	3.7	3.4	Warwick	4.5	4.2
Jamestown	2.0	2.2	West Greenwich	4.6	3.6
Johnston	5.3	5.0	West Warwick	5.4	4.8
Lincoln	4.0	4.6	Westerly	3.2	3.5
Little Compton	2.6	2.4	Woonsocket	5.7	6.5
Middletown	3.3	3.3			
Narragansett	2.3	2.3	State of R.I.	4.6	4.6
New Shoreham	2.5	1.7	United States	5.1	5.8

Unemployment Insurance Claims Activity

	Sept	Aug	Sept	% Change		Year to Date		
	2004	2004	2003	Sept 04	Aug 03	2004	2003	% Change
Initial Claims	4,360	4,807	4,989	-9.3%	-12.6%	59,929	66,290	-9.6%
Number of Payments	39,560	62,428	51,326	-36.6%	-22.9%	515,321	555,807	-7.3%
Amount of Payments (gross millions)	\$12.7	\$18.8	\$15.5	-32.4%	-18.1%	\$161.4	\$165.9	-2.7%
Exhaustions (Final Payments)	1,123	1,367	1,553	-17.8%	-27.7%	12,566	14,145	-11.2%
E.S. Fund Balance (millions)	\$98.9	\$112.0	\$77.0	-11.7%	28.4%			



Quarterly Census of RI Employment and Wages

First Quarter Comparison 2003-2004



Rhode Island total employment increased by 2,379 (+0.5%) jobs during the first quarter of 2004, averaging 462,148 workers, when compared to the first quarter of 2003. Private sector (+2,842) employment accounted for nearly all of the job growth, offsetting the 466 positions lost in the State and Federal Government sector. State employment declined by 270 positions, while Federal employment lost 196 positions. Local Government added three jobs.

The Administrative & Waste Services sector (+1,987) experienced the largest number of job gains during this period, with a 10 percent increase (+1,890) in the Administrative & Support Services sub-sector. Health Care & Social Services continues to be amongst the sector leaders in employment growth, adding 1,175 positions between first quarters 2003-2004. Hospitals (+445) and Ambulatory Health Care Services (+296) were the two leading sub-sectors within this sector. Management of Companies & Enterprise led all sectors in employment growth on a percentage basis adding 860 new jobs, an 11.6 percent increase.

Overall, Health Care & Social Assistance (70,545) was the largest employment sector in the state, accounting for over 17 percent of private sector employment. This marks the ninth straight quarter under the North American Industrial Classification System (NAICS) in which the Health Care & Social Assistance sector has led in average employment. Government (66,421), Manufacturing (56,348), Retail Trade (51,766) and Accommodation & Food Services (37,896) round out the top five sectors in average employment.

Manufacturing reported a loss of 3,088 (-5.2%) positions between first quarters 2003-2004. Miscellaneous Manufacturing (-771) led all Manufacturing sub-sectors in job decline, followed by Fabricated Metal Product Manufacturing (-576) and Textile Mills (-542). In all, sixteen of the twenty-one Manufacturing sub-sectors reported a job loss between these periods. Government (-466), Wholesale Trade (-290), Utilities (-45), Mining (-8) and Arts, Entertainment & Recreation (-5) were the only other sectors to report a drop in employment.

A total of over \$4.3 billion in wages was paid during the first quarter 2004, an increase of over \$100 million (+2.6) from last years first quarter total of \$4.2 billion. Private sector wages increased by \$96 million (+2.8%) while Government wages grew by \$13 million (+1.7%). The total average weekly wage in the first quarter 2004 was \$728, a \$15 increase from the \$713 earned during first quarter in 2003. Private sector wages were up \$14 (\$696) from the \$682 earned a year ago.

Management of Companies & Enterprise (\$2,006) led all sectors in average weekly wage followed by Utilities (\$1,271), Information (\$1,237), Finance (\$1,196) and Wholesale Trade (\$975). The Information sector experienced the largest weekly wage increase of \$174 (+16.4 %) followed by Agriculture, Forestry, Fishing & Hunting (+\$79). Though Management of Companies & Enterprise led all sectors in average weekly wage, it also experienced the largest decline in average weekly wage with a decrease of \$707 (-26.1%) from first quarter 2003. Quarterly bonuses and exercised stock options are included in the calculation and therefore may impact the average weekly wage.

	No. of Units	First Quarter 2004				Total Wages	Taxable Wages	Contributions
		January	February	March	Average Employment			
Total	34,879	461,250	461,488	463,707	462,148	4,370,876,718	2,362,603,809	71,890,311
Private	34,197	395,100	395,198	396,884	395,727	3,581,633,010	2,357,197,874	71,719,188
State	107	17,713	17,679	17,707	17,700	216,237,308	12,217	2,918
Local	427	38,387	38,601	39,090	38,693	412,050,541	5,299,625	168,205
Federal	148	10,050	10,010	10,026	10,029	160,955,859	0	0
Total Government	682	66,150	66,290	66,823	66,421	789,243,708	5,405,935	171,123
Total UI Covered	34,731	451,200	451,478	453,681	452,119	4,209,920,859	2,362,603,809	71,890,311

A Product of: [Rhode Island Department of Labor and Training, Labor Market Information](#)

Employment changes may be influenced by non-economic code changes resulting from NAICS revisions and/or changes in employers' reporting methods.

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